Wages increase 1.0% in September quarter 2022

Media Release

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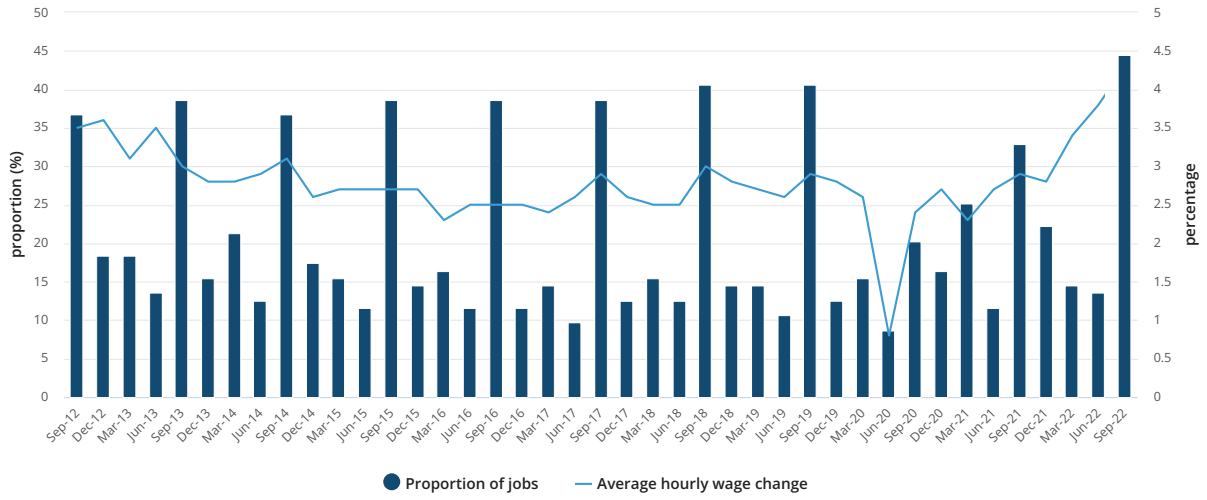
Source: Wage Price Index, Australia, September 2022

The Wage Price Index rose 1.0 per cent in September quarter 2022, and 3.1 per cent annually, according to the latest data from the Australian Bureau of Statistics (ABS).

Program Manager of Prices at the ABS, Michelle Marquardt, said: "This is the highest quarterly growth in hourly wages recorded since March quarter 2012. In seasonally adjusted terms, this growth was primarily driven by increases in wages for the private sector which grew at twice the rate of wages in the public sector (1.2 per cent compared to 0.6 per cent)."

"Labour market pressures in the private sector combined with the largest Fair Work Commission award increase in more than a decade saw rises in both the size of average wage changes and the proportion of private sector jobs recording a wage change. The average size of hourly wage increase for those jobs where the wage rate moved was 4.3 per cent, up from 2.9 per cent in the September quarter 2021. Nearly half (46.4 per cent) of private sector jobs recorded a change in their hourly wage rate this quarter compared to around one third (33.9 per cent) in the same quarter last year."

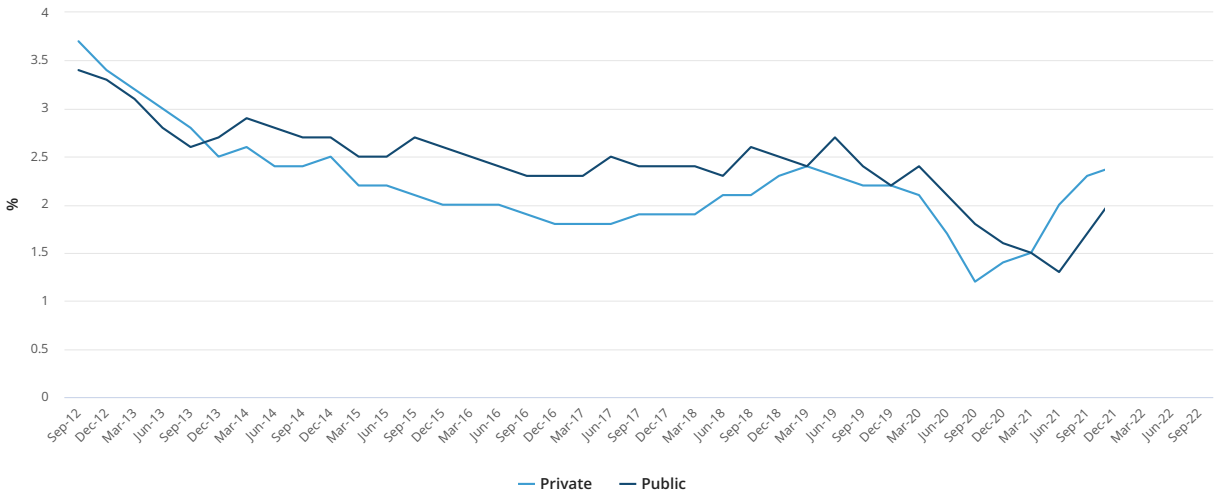
Quarterly wage dynamics in the private sector



Footnote: average hourly wage change only includes jobs recording a wage movement between quarters

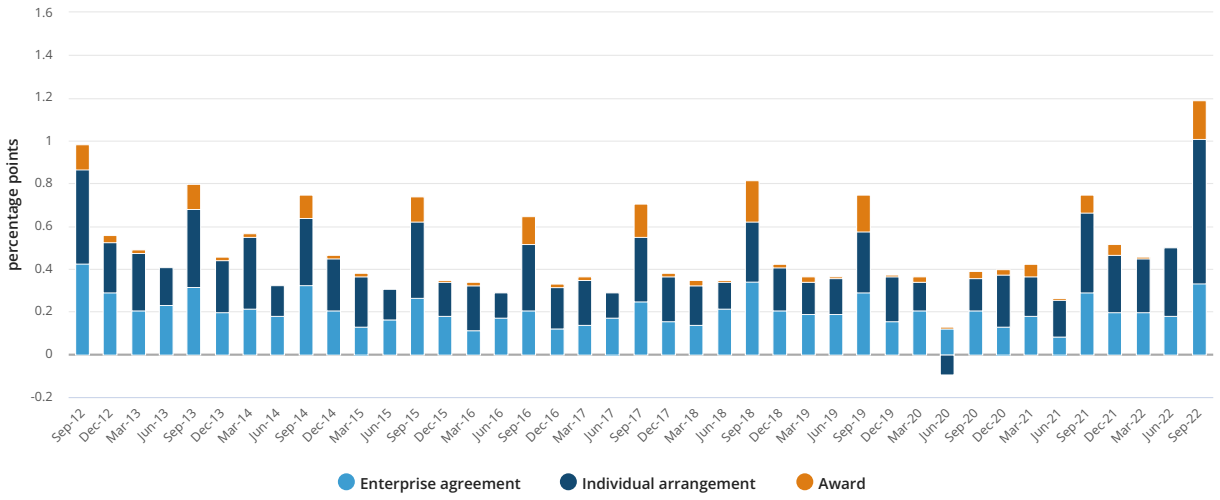
“The annual rate of growth at 3.1 per cent, is the highest recorded since March quarter 2013. The growth rate in private sector wages was stronger than in the public sector (3.4 per cent compared to 2.4 per cent) continuing the trend started in June quarter 2021.”

Annual wage growth by sector, seasonally adjusted



“This quarter, a significant contribution to wages growth came from jobs paid by individual arrangement. These are mostly private sector jobs where employers paid increases based on end of financial year wage and salary reviews or interim increases as a retention strategy.”

Contributions to wage price index, by method of setting pay, original



In original terms, the highest quarterly and annual growth was recorded in the Retail trade industry at 2.4 per cent and 4.2 per cent. The annual rate of growth included two award increases within the year.

The Education and training industry recorded the lowest quarterly (0.8 per cent) and annual (2.2 per cent) growth across all industries.

Further information can be found in Wage Price Index, Australia (/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/latest-release) available for free download.

Media notes

- To learn more about different measures of wages change, their purpose and how to use them, see our new Earnings guide (/statistics/understanding-statistics/guide-labour-statistics/earnings-guide) . It provides summary information on our various earnings measures including Wage Price Index.

- When reporting ABS data you must attribute the Australian Bureau of Statistics (or the ABS) as the source.
- The Wage Price Index publishes estimates of the change in hourly rates of pay for a representative set of jobs across the public and private sectors. The Wage Price Index is unaffected by changes in the number of people working, the hours worked, or changes to who is in the job.
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